Paper No. 26 Entered: May 22, 2020

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC., Petitioner,

v.

FIRSTFACE CO., LTD., Patent Owner.

Case IPR2019-00613 (Patent 9,633,373 B2) Case IPR2019-00614 (Patent 9,779,419 B2) 2019-01011 and 2019-01012

> Record of Oral Hearing Held: May 5, 2020

> > ______

Before JUSTIN T. ARBES, MELISSA A. HAAPALA, and RUSSELL E. CASS, *Administrative Patent Judges*.



APPEARANCES:

ON BEHALF OF THE PETITIONER:

GABRIELLE E. HIGGINS, ESQUIRE CHRISTOPHER M. BONNY, ESQUIRE Ropes & Gray LLP 1900 University Avenue 6th Floor East Palo Alto, California 94303

ON BEHALF OF THE PATENT OWNER:

THOMAS CECIL, ESQUIRE Nelson Bumgardner Albritton PC 3131 West 7th Street Fort Worth, Texas 76107

The above-entitled matter came on for hearing on Tuesday, May 5, 2020, commencing at 1:00 p.m. EDT, by video/by telephone.



1	PROCEEDINGS
2	
3	JUDGE CASS: Good afternoon, everybody. As before, I'm Judge
4	Cass and I have with me Judge Haapala and Judge Arbes. This is the
5	consolidated oral hearing for cases IPR 2019-613 and 1011 involving Patent
6	9,633,373, and also cases IPR 2019-614 and 1012 involving Patent
7	9,779,419.
8	Can counsel please state their names for the record?
9	MS. HIGGINS: Good afternoon, Your Honors. This is Gabrielle
10	Higgins and my colleague Christopher Bonny from Ropes & Gray on behalf
11	of Petitioner Apple, Inc. And we have with us today by phone
12	representative Benjamin Huh from Apple.
13	JUDGE CASS: Thank you.
14	MR. CECIL: Good afternoon, Your Honors. This is Tom Cecil from
15	the law firm of Nelson Bumgardner Albritton representing the Patent Owner
16	Firstface Co., Ltd. I believe on the phone today to listen in on the hearing
17	are representatives from Firstface Daniel Bae and Jake Jung.
18	JUDGE CASS: Thank you, Counsel. Per the trial hearing order, each
19	party will have 60 minutes to present its arguments. As before, the order of
20	presentation will be that Petitioner will go first, Patent Owner will then
21	respond, Petitioner may then use any remaining time to respond to Patent
22	Owner's presentation, and then Patent Owner may use any of its remaining
23	time for a brief surrebuttal responding to Petitioner's rebuttal arguments
24	only.
25	The same reminders as for the previous hearing apply to this one, as
26	well. Please do not discuss any information filed under seal. Please keep



1 your microphones muted when not speaking. I will keep time and can give 2 you warning when you have gone into your rebuttal time, if you'd like. And 3 please refer to your demonstratives by slide number to make it easier for the 4 court reporter. 5 Any questions from the parties? MS. HIGGINS: No, Your Honor. 6 7 JUDGE CASS: Counsel for Petitioner? 8 MR. CECIL: No. Your Honor. 9 JUDGE CASS: Would you like to reserve any time for rebuttal? 10 MS. HIGGINS: May it please the Board, at the outset we'd like to reserve 20 minutes of our time for rebuttal. 11 JUDGE CASS: Thank you. Counsel for Petitioner, you may proceed. 12 13 MS. HIGGINS: Thank you, Your Honor. May it please the Board, 14 please turn to slide 4 of Petitioner's demonstratives. That's Exhibit 1040 in both of the proceedings. 15 16 Petitioner has provided our petitions and our evidence in our briefing, 17 but to assist the Board in considering the record we plan to address today in our opening discussion the six topics shown here on slide 4 along with any 18 19 questions, of course, the Board may have. I will address for both grounds 1 20 and 2, the first issue, whether the combinations disclose "turning on the 21 display and performing a fingerprint authentication function in response to a one-time pressing of the activation button." Then my colleague Mr. Bonny 22 23 will address for both grounds 1 and 2 whether the combinations disclose "an 24 activation button separate from a power button and configured to turn on the



25

display," as well as motivations to combine for both grounds.

1	Now, before we jump in, I'd like to make two brief observations about
2	the kinds of arguments and evidence that Patent Owner has put before this
3	Board. First, Patent Owner merely rehashes several arguments already
4	rejected by the Board at institution; and second, Patent Owner repeatedly
5	applies a claim interpretation that improperly requires a single user action
6	and excludes from the claims another user input to complete the
7	authentication function. And even under this incorrect interpretation, the
8	claims are still met by the combination of references. We ask that the Board
9	bear these issues in mind, as well as the principle that any argument not
10	raised in Patent Owner's response has been waived.
11	Turning to slide 5, first I will address the claim limitations shown here
12	in view of this dispute over whether the combination of references in
13	grounds 1 and 2 disclose that "in response to the one-time pressing of the
14	activation button, the first function is performed."
15	Turning to slide 6, independent claim 1 of the 373 patent recites that
16	"in response to the one-time pressing of the activation button, the first
17	function is performed." The 373 claim 11 and 419 claims 1 and 10, the
18	other independent claims at issue in these proceedings, include similar
19	limitations. Petitioner
20	JUDGE HAAPALA: Let me stop you right there because I think
21	there is a limitation in claim 11 of the 373 patent that's not in claim 1. And
22	in particular, I'm referring to the limitation, "in addition to changing to the
23	active state, further performing at least one of the first and second functions
24	without additional user input other than the one-time pressing."



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